IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD

(Special Original Jurisdiction)

MONDAY, THE TWELFTH DAY OF DECEMBER
TWO THOUSAND AND FIVE

PRESENT

THE HON'BLE MR JUSTICE V.ESWARAIAH

WRIT PETITION No. 26369 of 2005

Between:

VINEDALE DISTILLERIES LIMITED,

A Company Incorporated under provisions of the Companies Act,
Bangalore Highway, Hyderabad, 501 323,

rep. by its Chairman Court Commissioner (Receiver),

Mr. Satish Kumar Agarwal

..... PETITIONER

AND

RESERVE BANK OF INDIA,

Rep. by its Chief General Manager,
Having its Office at Cuffe Parade,

IDBI Towers, Mumbai and 4 others

.....RESPONDENTS

ORDER:

Seeking a Mandamus, declaring the action of the respondents 2 to 5 in not giving effect to the guidelines issued by the 1st respondent, in respect of one time settlement to the case of the petitioner, as illegal and arbitrary, the present writ petition is filed.

Heard the learned counsel for the petitioner and the learned counsel appearing for the respondents.

It is stated that the petitioner is a company registered under Companies Act, 1956, established and maintaining a distillery by obtaining loans from the respondents 2 to 5 banks. As certain amounts are due and payable by the petitioner, recovery proceedings have been initiated by respondents 2 to 5 banks.

It is further stated that the 1st respondent Bank issued certain guidelines on one time settlement scheme vide its proceedings dated 03.09.2005. Pursuant to the same, the petitioner made a representation to the respondents 2 to 5 on 13.10.2005, stating that the petitioner company is due and payable a sum of Rs.2,00,76,452/- (Rupees two crores seventy six thousand four hundred and fifty two only) and they would like to settle the due amount under the said scheme. It is stated that the representation of the petitioner has not been considered and disposed of so far by the respondents 2 to 5.

Having regard to the facts and circumstances of the case, without expressing any opinion on merits of the case as to whether the petitioner is entitled for one time settlement as per the guidelines of the

1st respondent Bank dated 03.09.2005 or not, as the matter is required to be considered and disposed of in accordance with law, the respondents 4 and 5 are directed to consider and dispose of the representation of the petitioner dated

13.10.2005, in accordance with law, within a period of 6 (six) weeks from the date of receipt of a copy of this order.

With the above observations, the Writ Petition is disposed of. No order as to costs.

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V.ESWARAIAH,J

Dated: 12.12.2005

Dsr